

Rostow Bids U.S. Take '55 Look at Formosa

The United States should "shake off the 1949 blues and see the Formosa political situation in the 1955 perspective." This is the "first requirement of any constructive American approach" to the Formosa problem according to W. W. Rostow's, "An American Policy in Asia," published today.

The 60 - page provocative book is published by the Massachusetts Institute of Technology's press and John Wiley & Sons in a \$1 paper-back edition. Rostow, with whom Richard W. Hatch has collaborated, is a leading American expert on the Communist world. He is associated with MIT's Center for International Studies.

The Rostow proposals for American policy toward Formosa, in particular, and China, in general, include:

- American policy should be to help develop "an increasingly strong and independent Asian society" on the island through a political as well as military partnership.

- Formosa should be made more of a "symbol of Free China" for the overseas Chinese through educational opportunities in competition with those offered by Red China. Most important are some 10,000 Chinese intellectuals, "2000 of them with degrees from American colleges who have fled from Communist China to Hongkong." Not one of these was able to enter the United States in the first year of the Refugee Relief Act. Also, "over 5000 trained Chinese intellectuals" are "presently stranded" in America.

- Admission of Red China into the United Nations at this time "would be an act of appeasement by the free world." It also "would have a disastrous effect on Formosan morale." Hence, the Peiping government should not be admitted until the military situation has been stabilized

perhaps an extra \$2 billion a year for five years with the United States contributing about two-thirds and the rest coming mainly from Western Europe. Rostow says this should be "primarily an investment program" with "no tie between economic and military pacts."

The reasoning behind this economic proposal is that Communist China "can force investment at the cost of lowered standards of living." This advantage must be met by loans and grants "on a scale sufficient to permit Free Asia to surpass Peking's (Peipings) economic performance; and this broad effort at Free Asian growth must be woven into a solution to Japan's trade problem."

One "major advantage" on the side of Free Asia, Rostow says, is the "ingrained attitude of the peasant" who resists Communist collectivization but who responds to the Free World's "method of consent" as indicated by India's village development program.

Rostow argues that "it matters greatly to us" that the Indian domestic development plans succeed. A "heightened Indian effort in industry appears required to meet fully the Chinese Communist challenge," he writes. But if the democratic Indian methods of development fail, Rostow says, "India and Asia could be won to communism without a Chinese soldier crossing Chinese borders."

Rostow feels that "the relative performance of India and China in their first five-year plans "may very well determine the outcome of the ideological struggle for Asia." He argues that China is meeting its domestic problems in the wrong way by forcing industrialization first and that the alliance with Russia is the "wrong way" for Peiping to win "independence" on the world scene.

in Asia and a major positive American policy has been launched. Then Nationalist China's Security Council seat should be transferred to India as the leading "independent Asian state" with the two Chinas having Assembly seats only.

Much of "An American Policy in Asia" is devoted to what Rostow feels is the need for a "vigorous" American economic policy. He suggests a "sustained" and "regional" plan of

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